

March 25, 2025

Via Electronic Mail

Mr. Joseph Herbert
Herbert & Associates Law, P.A.
2033 Main Street, Suite 502
Sarasota, Florida 34237
jherbert@herbertassociateslaw.com

RE: Termination of Agreement for the Delivery of Use of Irrigation Quality Water

Mr. Herbert,

Please let this correspondence supplement District Manager William Crosley's letter regarding a modification to West Villages Improvement District's ("WVID") water use permit ("WUP") that was distributed to the Gran Paradiso Property Owners Association, Inc. ("GPPOA") on December 20, 2024, a copy of which is enclosed for your reference.

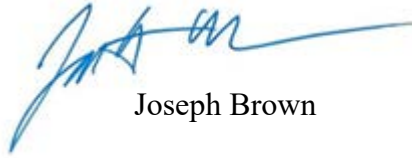
No challenge to the Southwest Florida Water Management District's proposed issuance of the WUP modification was timely received, and so that modification became final and effective February 10, 2025. Pursuant to the direction provided in Resolution 2024-28 adopted by the WVID Board of Supervisors on December 12, 2024, WVID staff has been working expeditiously to modify the irrigation infrastructure within, and serving, Gran Paradiso to isolate the community's irrigation quality water system from the WVID system pursuant to the WUP.

This letter serves as notice that those modifications are underway and are expected to be substantially completed at the close of business on March 31, 2025. Accordingly, as of **5:00 P.M. on March 31, 2025**, WVID will no longer be supplying irrigation quality water to the GPPOA.

In addition, and as you know, the GPPOA has sued WVID and others in an effort to void the *Amended and Restated Agreement for the Delivery of Use of Irrigation Quality Water (Gran Paradiso)*, dated December 16, 2020, between the GPPOA and WVID, pursuant to which WVID has in the past supplied the GPPOA with irrigation quality water ("Agreement"). Please be advised that even if the Agreement is not void ab initio as asserted by the GPPOA in its lawsuit, it will in any event be terminated as desired by the GPPOA pursuant to Section 12 of the Agreement, effective as of **5:00 P.M. on March 31, 2025**. GPPOA's final quarterly bill from WVID will thus

be for irrigation water supplied through 5:00 P.M. on March 31, 2025. No further quarterly bills will be sent by WVID to GPPOA and, accordingly, after the final quarterly bill is paid by GPPOA no further deposits will be required from GPPOA into the escrow account, all as contemplated by the preliminary injunction order in Case No. 2022-CA-005368-SC. Monies placed in escrow by GPPOA—including for the final quarterly bill—should remain held in escrow pending further order of the Court.

Sincerely,



Joseph Brown

Enclosure

cc (via e-mail): John Luczynski, Chairman, Board of Supervisors
William Crosley, District Manager
Kyle Smith, District Operations Manager
Giacomo Licari, District Engineer

WEST VILLAGES IMPROVEMENT DISTRICT
C/O Special District Services, Inc.
19503 S. West Villages Parkway #A3
Venice, Florida 34293

December 20, 2024

Via Electronic and Overnight Mail

Gran Paradiso Property Owners Association, Inc.
c/o Victor Dobrin, President
20125 Galleria Boulevard
Venice, Florida 34293
president@granparadisohoa.com

RE: West Villages Improvement District's Adoption of Resolution 2024-28

Dear Mr. Dobrin and Board of Directors,

Please be advised that, at its December 12, 2024 meeting, the West Villages Improvement District's (the "**District**") Board of Supervisors adopted Resolution 2024-28 consenting to a request to modify its existing Southwest Florida Water Management District ("**SWFWMD**") water use permit ("**WUP**") in a manner that redistributes groundwater withdrawal and repumpage quantities associated with the six (6) existing wells located within Gran Paradiso (i.e. SWFWMD IDs 74, 75, 76, 77, 78 and 79) to the remaining permitted wells under the WUP, except for those quantities that are determined necessary to irrigate the District-owned property within Gran Paradiso.

The District believes that the WUP modification may be approved by SWFWMD in as early as thirty (30) to ninety (90) days. A copy of the Resolution is enclosed for your reference.

Sincerely,


William Crosley
District Manager

Enclosure

cc: John Luczynski, Chairman, Board of Supervisors
Lindsay Whelan, District Counsel

RESOLUTION 2024-28

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT REGARDING ITS CONSENT TO A WATER USE PERMIT MODIFICATION IN CONNECTION WITH THE DISTRICT'S IRRIGATION QUALITY WATER SERVICE; DIRECTING THE DISTRICT'S STAFF TO PROCEED WITH ACTIVITIES NEEDED TO EFFECTUATE THE PERMIT MODIFICATION; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the West Villages Improvement District (the "**District**") is a local unit of special purpose government created and existing pursuant to Chapter 2004-456, *Laws of Florida*, as amended for the purpose of planning, financing, constructing, operating, and/or maintaining certain infrastructure and providing certain public services supporting a large-scale master-planned community known as Wellen Park encompassing an area of over 12,000 acres; and

WHEREAS, the District's provision of public infrastructure and services includes the provision of a master-planned irrigation quality water service, consisting of a mix of treated effluent and ground and surface water ("**Irrigation Quality Water**"); and

WHEREAS, Water Use Permit No. 20-003872 (the "**WUP**") issued by the Southwest Florida Water Management District ("**SWFWMD**") is a central and essential component of the District's Irrigation Quality Water service, which allows the District to meet the irrigation demand of its customers, and that regulates access to groundwater and the District's operation of its Irrigation Quality Water service; and

WHEREAS, the water use and irrigation rights granted by the WUP were held by private parties, Thomas Ranch Intangibles, LLLP, and The Ranch Land Operations, LLLP (the "**Ranch Entities**"); and

WHEREAS, in order to facilitate the provision of a master-planned Irrigation Quality Water service and to provide for the efficient and reliable provision of Irrigation Quality Water, the District and the Ranch Entities cooperated in securing the issuance of WUP revision number 20-003872.019, which added the District as a permittee and regulates various aspects of water use by the District for its Irrigation Quality Water service; and

WHEREAS, that agreement was memorialized in that certain *Irrigation Water Supply Agreement* (the "**Ranch Entities' Supply Agreement**") between the District and Ranch Entities recorded in December 2018; and

WHEREAS, if the Ranch Entities' Supply Agreement is terminated or otherwise nullified, then the District is no longer authorized to be a co-permittee on the WUP and accordingly would not be legally permitted to provide its existing Irrigation Quality Water service to any of its current customers; and

WHEREAS, Section 4(g) of the Ranch Entities' Supply Agreement requires that the District and the Ranch Entities jointly work to ensure that the WUP is not impacted by adverse agency actions by SWFWMD or other governmental entities; and

WHEREAS, Section 8(e) of the Ranch Entities' Supply Agreement requires the District to implement and enforce the water conservation plan (the "**Conservation Plan**") required by the WUP, and request a modification of the WUP if the implementation of the Conservation Plan fails to demonstrate progress toward increasing water use efficiency in order to address such deficiency; and

WHEREAS, the WUP requires the District to allocate its Irrigation Quality Water using SWFWMD's "AGMOD" computer modeling software in order to require water conservation; and

WHEREAS, the District and the Gran Paradiso Property Owners Association ("**GPPOA**") entered into that certain *Amended and Restated Agreement for the Delivery and Use of Irrigation Quality Water*, dated December 16, 2020 (the "**2020 GP Irrigation Agreement**"), addressing the District's provision of Irrigation Quality Water to the Gran Paradiso residential community (the "**Gran Paradiso**");¹ and

WHEREAS, to the extent that the 2020 GP Irrigation Agreement is currently operative, Section 6 thereof requires the GPPOA to utilize the Irrigation Quality Water provided by the District consistent with all legal, state, and federal regulations, permits, and other applicable governmental regulations, which include but are not limited to SWFWMD regulations and the terms of the WUP; and

WHEREAS, to the extent that the 2020 GP Irrigation Agreement is currently operative, Section 9 thereof provides that the District's obligations to provide Irrigation Quality Water to Gran Paradiso is entirely dependent and conditioned upon the District's receipt of Irrigation Quality Water from third party suppliers pursuant to the Ranch Entities' Supply Agreement, and that the District shall not be held responsible or liable, and it shall not be a breach under the 2020

¹ The GPPOA asserts in the Litigation (as hereinafter defined) that the 2020 GP Irrigation Agreement and the *First Amendment to Irrigation Quality Water Use Agreement*, dated January 17, 2019 (the "**First Amendment to the 2009 GP Irrigation Agreement**") are void and of no force and effect. The GPPOA further asserts in the Litigation that the *Irrigation Quality Water Use Agreement*, dated February 10, 2009 (the "**2009 GP Irrigation Agreement**") is the current operative Irrigation Quality Water supply agreement between the District and Gran Paradiso (without amendments).

Assuming arguendo that the 2009 GP Irrigation Agreement was not superseded by either the First Amendment to the 2009 GP Irrigation Agreement and/or the 2020 GP Irrigation Agreement, and as has been discussed in depth several times at public meetings of the District's Board of Supervisors (the "**Board**"), the 2009 GP Irrigation Agreement expired by its own terms as of March 27, 2024 and is no longer of any force and effect irrespective of the Litigation.

Thus, the GPPOA asserts in the Litigation that the District and the GPPOA do not have a current, enforceable Irrigation Quality Water supply agreement in place, and as a result the District has no contractual obligation to provide Irrigation Quality Water service to Gran Paradiso.

GP Irrigation Agreement, in the event that the District is not able to deliver some or all of such water to its customer; and

WHEREAS, to the extent that the 2020 GP Irrigation Agreement is currently operative, Section 12 thereof provides that such agreement is terminable by the District in the event that the GPPOA violates any terms or provisions of such agreement, the District's supply of Irrigation Quality Water pursuant to the Ranch Entities' Supply Agreement is terminated, or the District's provision of the Irrigation Quality Water to Gran Paradiso in the amounts addressed pursuant to such agreement is otherwise prohibited by governmental permit, rule, or order; and

WHEREAS, in the approximately six (6) years that the District has provided Irrigation Quality Water service to Gran Paradiso, Irrigation Quality Water meter readings have shown that Gran Paradiso has consistently and significantly exceeded its contractual and WUP-mandated AGMOD allocations; and

WHEREAS, despite the District's continued and varied attempts to bring Gran Paradiso's Irrigation Quality Water consumption to be within its contractual and WUP-mandated AGMOD allocation, Gran Paradiso has for many months exceeded its AGMOD allocation and violated regulatory conservation requirements; and

WHEREAS, due to Gran Paradiso's continued mismanagement and overuse of Irrigation Quality Water in violation of the WUP, and assuming the 2020 GP Irrigation Agreement is currently operative despite the GPPOA's assertions that the District does not currently have an agreement to provide Irrigation Quality Water to Gran Paradiso, the District is currently permitted to terminate the 2020 GP Irrigation Agreement at its election without penalty or liability; and

WHEREAS, the GPPOA filed a suit against the District in November 2022 alleging, among other things, that the District did not comply with Florida's Sunshine Law with regard to the District's adoption of Resolution 2018-18, *Gran Paradiso Property Owners Association v. West Villages Improvement District, et al.*, Case No. 2022-CA-005368 (Fla. 12th Cir. Ct. 2022) (the "**Litigation**"); and

WHEREAS, the Litigation does not directly challenge the District's irrigation rates, irrigation rate Resolutions 2020-08, 2021-15, 2023-08, or 2024-13, the substance of the District's Ranch Entities' Supply Agreement, nor the District's substantive authority to enter into an agreement concerning assignment of the Ranch Entities' rights with regard to the WUP; and

WHEREAS, as a result of the Litigation, a temporary injunction was entered making preliminary, non-final findings that the District likely did not comply with Florida's Sunshine Law and holding that the District was temporarily "restrained from applying" Resolution 2018-18, the Ranch Entities' Supply Agreement, the First Amendment to the 2009 GP Irrigation Agreement, and 2020 GP Irrigation Agreement pending final resolution of the Litigation on the merits; and

WHEREAS, the temporary injunction did not address and does not state that the District must continue to provide Irrigation Quality Water service to Gran Paradiso; and

WHEREAS, during the pendency of the Litigation, Gran Paradiso has repeatedly and consistently exceeded its AGMOD allocation; and

WHEREAS, the Ranch Entities were not parties to the Litigation nor before the Court when the temporary injunction was entered and were only recently added by the GPPOA as parties; and

WHEREAS, the Litigation remains pending and no final order has been entered on the merits of any issues raised in the Litigation, and the District continues to deny the allegations made and defend the Litigation; and

WHEREAS, the Ranch Entities have asserted that Gran Paradiso's failure to comply with the requirements of the WUP not only creates a situation where there will be insufficient Irrigation Quality Water quantities available for other customers within Wellen Park as the community continues to develop, but also causes serious regulatory compliance issues with SWFWMD which jeopardizes the WUP; and

WHEREAS, the Ranch Entities have accordingly advised the District that, due to Gran Paradiso's extensive and long-standing overconsumption of Irrigation Quality Water in violation of the WUP and the District's failure to remedy same, the District is accordingly in violation of the WUP and in breach of the Ranch Entities' Supply Agreement; and

WHEREAS, the Ranch Entities have demanded that, in order to avoid the Ranch Entities' pursuance of its legal remedies related to the WUP and the asserted breach of the Ranch Entities' Supply Agreement, the District consent to a WUP modification that redistributes groundwater withdrawal and repumpage quantities associated with the six (6) existing wells located within Gran Paradiso (SWFWMD IDs 74, 75, 76, 77, 78 and 79) to the remaining permitted wells under the WUP, except for those quantities that are determined necessary to irrigation the District-owned property within Gran Paradiso (hereinafter, the "**WUP Modification**"); and

WHEREAS, the Ranch Entities have stated that it will pay for the costs associated with the WUP Modification as well as any associated infrastructure improvements needed to effectuate the WUP Modification (the "**Infrastructure Modifications**"); and

WHEREAS, termination or rescission of the Ranch Entities' Supply Agreement and/or removal of the District as co-permittee under the WUP due to the District's asserted breach would be catastrophic to the District's Irrigation Quality Water service and jeopardize the District's ability to provide such service to all of its customers within the approximately 12,000-acre Wellen Park development;² and

² As discussed in more detail herein, the District is only able to provide its Irrigation Quality Water service to its customers due to the non-exclusive assignment of the Ranch Entities' water rights to the District pursuant to the terms of the Ranch Entities' Supply Agreement.

WHEREAS, further, in addition to losing the legal rights necessary to operate its Irrigation Quality Water service, upon the termination or rescission of the Ranch Entities' Supply Agreement and/or removal of the District as co-permittee under the WUP due to the District's asserted breach, the District's supply agreements with all of its customers, including Gran Paradiso to the extent that the 2020 GP Irrigation Agreement is currently operative, would automatically terminate by their own terms without penalty or liability to the District, which additionally renders the District unable to provide Irrigation Quality Water to such customers; and

WHEREAS, the District desires to continue to operate under the WUP and to continue to provide its existing Irrigation Quality Water service to meet the irrigation needs of its customers; and

WHEREAS, the District has to-date expended significant financial and other resources towards the implementation of a master-planned Irrigation Quality Water service that relies on the WUP as a central and critical component thereto, which investment and efforts would be lost should the District no longer be able to operate its Irrigation Quality Water service; and

WHEREAS, proper and adequate irrigation is important to the public's enjoyment of their community and property; and

WHEREAS, loss of the District's ability to operate its Irrigation Quality Water service would present significant risk and harm to the public in the form of increased costs, decreased property values, and damage to existing landscaping; and

WHEREAS, it is feasible for Gran Paradiso to obtain other sources of Irrigation Quality Water from suppliers other than the District; and

WHEREAS, ensuring the District's continued ability to provide its Irrigation Quality Water service for the broader Wellen Park community is in the best interests of the public and the District; and

WHEREAS, remaining as a co-permittee on the WUP is essential to the operation of the District's Irrigation Quality Water services and to meet public demand for Irrigation Quality Water in the most cost effective and efficient manner possible; and

WHEREAS, the District accordingly determines that:

- 1) the GPPOA is required to ensure that its use of the District's Irrigation Quality Water relative to Gran Paradiso complies with SWFWMD regulations and the terms of the WUP, including the AGMOD allocations required thereby;
- 2) Gran Paradiso has indisputably and consistently violated its AGMOD allocations and conservation requirements;

- 3) such over-usage by Gran Paradiso constitutes non-compliance with the WUP;
- 4) the responsibility for compliance with the WUP by the District's customers is ultimately vested in the District;
- 5) non-compliance with the WUP by a customer, which imputes to the District, constitutes a breach of the Ranch Entities' Supply Agreement;
- 6) the District's breach of the Ranch Entities' Supply Agreement entitles the Ranch Entities to pursue all legal remedies available to it, which could risk termination of the Ranch Entities' Supply Agreement and/or removal of the District as co-permittee under the WUP;
- 7) if the Ranch Entities' Supply Agreement is terminated and/or the District is removed as a co-permittee under the WUP, the District would not be legally or contractually permitted to continue providing its existing Irrigation Quality Water service and the District's service agreements with existing customers would be terminated;
- 8) GPPOA seeks in the Litigation to void the Ranch Entities' Supply Agreement and its own irrigation supply agreement with the District, and if GPPOA prevails the District would not have a contractual obligation, or ability, to continue its Irrigation Quality Water service to Gran Paradiso;
- 9) to the extent that the 2020 GP Irrigation Agreement is currently operative, the District is currently entitled to terminate such agreement, without penalty or liability, pursuant to the terms thereof due to the GPPOA's breach of such agreement;
- 10) the District's continued provision of its Irrigation Quality Water service provides benefit to the broader public and is the most cost efficient and effective manner of providing such service to the broader community within Wellen Park;
- 11) the District has expended significant financial and other resources towards the implementation of its Irrigation Quality Water service, and will not incur any costs associated with the WUP Modification or the Infrastructure Modifications; and
- 12) the District has a need, and is contractually obligated by the Ranch Entities' Supply Agreement, to work cooperatively with the Ranch Entities and to take any actions as are necessary to be in compliance with the WUP and the Ranch Entities' Supply Agreement in order to ensure that it can continue to otherwise provide its Irrigation Quality Water service to the broader Wellen Park community; and

WHEREAS, the District accordingly desires to consent to the WUP Modification as set forth herein.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD
OF SUPERVISORS OF THE WEST VILLAGES
IMPROVEMENT DISTRICT:**

SECTION 1. The above stated recitals are true and correct and are hereby incorporated herein by reference.

SECTION 2. The Board affirms the findings, intent, and mutual agreements of the District and Ranch Entities as memorialized in the Ranch Entities' Supply Agreement.

SECTION 3. In consideration of the findings set forth herein, and as is in accordance with the mutual agreement and intent of the parties as memorialized in the Ranch Entities' Supply Agreement, the Board hereby agrees to consent to the WUP Modification as requested by the Ranch Entities. While the Ranch Entities shall prepare and submit the application to SWFWMD requesting the WUP Modification, the District's Chairman and/or Vice Chairman, and District staff, as applicable, are hereby authorized to prepare and execute any documents required by SWFWMD or otherwise necessary to effectuate the approval of same by SWFWMD.

SECTION 4. The District's Chairman and/or Vice Chairman and District staff, as applicable, are authorized to prepare and execute a funding agreement with the Ranch Entities in substantially the form attached hereto as **Exhibit A**, requiring the Ranch Entities to fund the District's costs associated with the WUP Modification, including but not limited to costs associated with the Infrastructure Modifications.

SECTION 5. The District's staff is further directed to take any actions and/or prepare any documents necessary to facilitate the modifications to the District's Irrigation Quality Water distribution system necessary to effectuate the WUP Modification. Such actions include but are not limited to, preparing plans and specifications, obtaining proposals or bids, and expeditiously proceeding with the construction activities related to the Infrastructure Modifications; provided, however, that all such actions shall be in compliance with Florida law.

SECTION 6. If any provision of this resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

SECTION 7. This resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

PASSED AND ADOPTED this 12th day of December, 2024.

[Signatures on Next Page]

ATTEST:

**WEST VILLAGES
IMPROVEMENT DISTRICT**


Secretary / Assistant Secretary


Chairperson, Board of Supervisors

Exhibit A: WUP Modification Funding Agreement

Exhibit A

WUP Modification Funding Agreement

WATER USE PERMIT MODIFICATION FUNDING AGREEMENT

This **Water Use Permit Modification Funding Agreement** (the “**Agreement**”) is made and entered into this 12th day of December, 2024, by and between:

WEST VILLAGES IMPROVEMENT DISTRICT, a local unit of special-purpose government located in the City of North Port, Florida and unincorporated Sarasota County, Florida (the “**District**”); and

THE RANCH LAND OPERATIONS, LLLP, a Florida limited liability limited partnership with a mailing address of 4901 Vineland Road, Suite 450, Orlando, Florida 32811 (“**TRLO**”); and

THOMAS RANCH INTANGIBLES, LLLP, a Florida limited liability limited partnership with a mailing address of 4901 Vineland Road, Suite 450, Orlando, Florida 32811 (“**TRI**,” and collectively with TRLO, the “**Ranch Entities**”).

RECITALS

WHEREAS, the District is a local unit of special-purpose government created and existing pursuant to Chapter 2004-456, *Laws of Florida*, as amended for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure; and

WHEREAS, the District has established its “Unit of Development No. 6” relative to its provision of irrigation services to certain of the lands within the District; and

WHEREAS, pursuant to the agreements memorialized in that certain *Irrigation Water Supply Agreement* (the “**Supply Agreement**”) between the District and Ranch Entities recorded in December 2018, District and the Ranch Entities are co-permittees of that certain Water Use Permit No. 20-003872 (the “**WUP**”) issued by the Southwest Florida Water Management District (“**SWFWMD**”); and

WHEREAS, the Supply Agreement obligates the District to seek and pay for the costs of any permit modifications or renewals relative to the WUP; and

WHEREAS, at the request of the Ranch Entities, and based on the extensive findings set forth in Resolution 2024-28, the District has consented to the modification of the WUP in the manner set forth in such Resolution which was adopted by the District’s Board of Supervisors (the “**Board**”) at its December 12, 2024 meeting (the “**WUP Modification**”); and

WHEREAS, the District and the Ranch Entities acknowledge and agree that, notwithstanding the terms of the Supply Agreement, the Ranch Entities shall be solely responsible for the pursuance of the WUP Modification as well as any associated infrastructure improvements needed to effectuate same, including but not limited to associated permitting or

professional fees (the “**Infrastructure Modifications**,” and together with the WUP Modification, the “**Project**”); and

WHEREAS, the Ranch Entities accordingly desire to fund the District’s costs and expenses relative to the provision of the WUP Modification and the associated Infrastructure Modifications, and the parties accordingly desire to enter into this Agreement relative to same.

1. RECITALS; INCORPORATION OF FINDINGS OF RESOLUTION 2024-28. The above recitals are true and correct and are incorporated herein and made a part hereof by this reference. The parties acknowledge and agree that the findings made by the District in Resolution 2024-28 are incorporated herein and made a part hereof by this reference.

2. PROVISION OF FUNDS.

A. The Ranch Entities and the District agrees that all fees, costs or other expenses incurred by the District relative to the Project and for the services of the District’s Engineer, Counsel, Manager, or other professionals relative to the Project are included within the scope of this Agreement.

B. Ranch Entities jointly and severally agrees to provide to the District any such monies relative to the Project upon receipt of an invoice from the District requesting such funds. Such funds, and all future funds provided pursuant to this Agreement, may be supplied by check, cash, wire transfer or other form of payment deemed satisfactory in the sole discretion of the District as determined by the District Manager. Such payments shall be made in accordance with the District’s normal invoice and payment procedures. The District agrees that any funds provided by Ranch Entities pursuant to this Agreement shall be used solely for fees, costs, and expenses arising from or related to the work contemplated by this Agreement.

C. The District agrees to provide to Ranch Entities, on a monthly basis, copies of all invoices, requisitions, or other bills for which payment is to be made from the funds provided by Ranch Entities. The District agrees to provide to Ranch Entities, monthly, a statement from the District Manager showing funds on deposit prior to payment, payments made, and funds remaining on deposit with the District.

D. Ranch Entities agrees to provide funds within fifteen (15) days of receipt of written notification from the District Manager of the need for such funds.

E. In the event that Ranch Entities fails to provide any such funds pursuant to this Agreement, the Ranch Entities and the District agree the portion of the Project for which funds are presently needed may be halted until such time as sufficient funds are provided by Ranch Entities to ensure payment of the costs, fees or expenses which may be incurred in the performance of such work.

3. TERMINATION. Ranch Entities and District agree that Ranch Entities may terminate this Agreement without cause by providing ten (10) days written notice of termination

to the District. Any such termination by Ranch Entities is contingent upon Ranch Entities' provision of sufficient funds to cover any and all fees, costs or expenses incurred by the District in connection with the work to be performed under this Agreement as of the date by when notice of termination is received. Ranch Entities and the District agree that the District may terminate this Agreement due to a failure of Ranch Entities to provide funds in accordance with Section 2 of this Agreement, by providing ten (10) days written notice of termination to Ranch Entities; provided, however, that the Ranch Entities shall be provided a reasonable opportunity to cure any such failure.

4. DEFAULT. A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of damages, injunctive relief and/or specific performance.

5. ENFORCEMENT OF AGREEMENT. In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the substantially prevailing party shall be entitled to recover all fees and costs incurred, including reasonable attorney's fees, paralegal fees, expert witness fees and costs for trial, alternative dispute resolution, or appellate proceedings.

6. AGREEMENT. This instrument shall constitute the final and complete expression of this Agreement between the parties relating to the subject matter of this Agreement.

7. AMENDMENTS. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by each of the parties hereto.

8. AUTHORIZATION. The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all the requirements of law, and each party has full power and authority to comply with the terms and provisions of this instrument.

9. NOTICES. All notices, requests, consents and other communications hereunder ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, as follows:

A. If to District: West Villages Improvement District
12250 Everglow Drive, Suite A3
Venice, Florida 34293
Attn: District Manager

With a copy to: Kutak Rock LLP
107 West College Avenue
Tallahassee, Florida 32301
Attn: District Counsel

- B. If to TRLO:** The Ranch Land Operations, LLLP
4901 Vineland Road, Suite 450
Orlando, Florida 32811
Attn: Rick Severance
Attn: Nicole Swartz
- C. If to TRI:** Thomas Ranch Intangibles, LLLP
4901 Vineland Road, Suite 450
Orlando, Florida 32811
Attn: Rick Severance
Attn: Nicole Swartz

Except as otherwise provided herein, any Notice shall be deemed received only upon actual delivery at the address set forth herein. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the parties may deliver Notice on behalf of the parties. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

10. THIRD PARTY BENEFICIARIES. This Agreement is solely for the benefit of the parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns.

11. ASSIGNMENT. Neither party may assign this Agreement or any monies to become due hereunder without the prior written approval of the other parties.

12. CONTROLLING LAW; VENUE. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Venue shall be in Sarasota County, Florida.

13. EFFECTIVE DATE. The Agreement shall be effective after execution by each of the parties hereto and shall remain in effect unless jointly terminated by each of the parties hereto.

14. PUBLIC RECORDS. Ranch Entities understands and agrees that all documents of any kind provided to the District or to District Staff in connection with the work contemplated under this Agreement are public records and are treated as such in accordance with Florida law.

IN WITNESS WHEREOF, the parties execute this Agreement to be effective the day and year first written above.

ATTEST:


Secretary/Assistant Secretary

**WEST VILLAGES
IMPROVEMENT DISTRICT**


Chairman, Board of Supervisors

THE RANCH LAND OPERATIONS, a
Florida limited liability limited partnership

**BY: THOMAS RANCH VILLAGES GP,
LLC,** a Delaware limited liability company,
its General Partner

**BY: THOMAS RANCH MANAGER,
LLC,** a Delaware limited liability company,
its Manager

By: 
Its: 

THOMAS RANCH INTANGIBLES, a
Florida limited liability limited partnership

**BY: THOMAS RANCH VILLAGES GP,
LLC,** a Delaware limited liability company,
its General Partner

**BY: THOMAS RANCH MANAGER,
LLC,** a Delaware limited liability company,
its Manager

By: 
Its: 